

E AND R AMENDMENTS TO LB 1153

Introduced by Enrollment and Review Committee: McGill, 26,  
Chairperson

1           1. Strike the original sections and all amendments  
2 thereto and insert the following new sections:

3           Section 1. At the request of a parent or guardian, a  
4 school district shall issue a certificate of attendance to a  
5 student who receives special education services under the Special  
6 Education Act, who has reached seventeen years of age, and who  
7 has not completed his or her individualized education plan. A  
8 school district shall allow a student who receives a certificate  
9 of attendance under this section to participate in the high school  
10 graduation ceremony of such high school with students receiving  
11 high school diplomas. A student may receive only one certificate of  
12 attendance and may participate in only one graduation ceremony  
13 based on such certificate. The receipt of a certificate of  
14 attendance pursuant to this section shall not affect a school  
15 district's obligation to continue to provide special education  
16 services to a student receiving such certificate.

17           This section does not preclude a student from receiving  
18 a high school diploma by meeting the school district's graduation  
19 requirements established pursuant to section 79-729 or in his  
20 or her individualized education plan or receiving a diploma of  
21 high school equivalency under section 79-730 upon completing the  
22 requirements of such section. The school district may allow a  
23 student who has previously participated in a graduation ceremony

1 based on a certificate of attendance to participate in an  
2 additional graduation ceremony when such student receives a high  
3 school diploma.

4           Sec. 2. Any early childhood education program as defined  
5 in section 79-1101 may, until school year 2010-11, enroll students  
6 who meet the age requirements to be enrolled in kindergarten but  
7 who are not then enrolled in kindergarten. Such students shall not  
8 be included in any calculations for state aid pursuant to the Tax  
9 Equity and Educational Opportunities Support Act as provided in  
10 section 79-1103.

11           Sec. 3. Section 79-1103, Revised Statutes Supplement,  
12 2007, is amended to read:

13           79-1103 (1)(a) The State Department of Education shall  
14 establish and administer the Early Childhood Education Grant  
15 Program. Upon the effective date of an endowment agreement,  
16 administration of the Early Childhood Education Grant Program  
17 with respect to programs for children from birth to age three  
18 shall transfer to the board of trustees. If there is no endowment  
19 agreement in effect, the department shall request proposals in  
20 accordance with this section for all early childhood education  
21 programs from school districts, individually or in cooperation  
22 with other school districts or educational service units, working  
23 in cooperation with existing nonpublic programs which meet the  
24 requirements of subsection (2) of section 79-1104. If there is  
25 an endowment agreement in effect, the board of trustees shall  
26 administer the Early Childhood Education Grant Program with respect  
27 to programs for children from birth to age three pursuant to

1 section 79-1104.02 and the department shall continue to administer  
2 the Early Childhood Education Grant Program with respect to  
3 other prekindergarten programs pursuant to sections 79-1101 to  
4 79-1104.05. All administrative procedures of the board of trustees,  
5 including, but not limited to, rules, grant applications, and  
6 funding mechanisms, shall harmonize with those established by the  
7 department for other prekindergarten programs.

8 (b) The first priority shall be for (i) continuation  
9 grants for programs that received grants in the prior school  
10 fiscal year and for which the state aid calculation pursuant to  
11 the Tax Equity and Educational Opportunities Support Act does not  
12 include early childhood education students, in an amount equal  
13 to the amount of such grant, except that if the grant was a  
14 first-year grant the amount shall be reduced by thirty-three  
15 percent, (ii) continuation grants for programs for which the  
16 state aid calculation pursuant to the act includes early childhood  
17 education students, in an amount equal to the amount of the grant  
18 for the school fiscal year prior to the first school fiscal year  
19 for which early childhood education students were included in the  
20 state aid calculation for the school district's local system minus  
21 the calculated state aid amount, and (iii) for school fiscal year  
22 2007-08, continuation grants for programs for which the state aid  
23 calculation pursuant to the act includes early childhood education  
24 students, but such state aid calculation does not result in the  
25 school district receiving any equalization aid, in an amount equal  
26 to the amount of the grant received in school fiscal year 2006-07.  
27 The calculated state aid amount shall be calculated by multiplying

1 the ~~cost grouping cost per student~~ basic funding per formula  
2 student for the school district's local system cost grouping by  
3 the ~~adjusted district by the~~ formula students attributed to the  
4 early childhood education programs pursuant to the Tax Equity and  
5 Educational Opportunities Support Act.

6 (c) The second priority shall be for new grants and  
7 expansion grants for programs that will serve at-risk children who  
8 will be eligible to attend kindergarten the following school year.  
9 New grants may be given for up to three years in an amount up to  
10 one-half of the total budget of the program per year. Expansion  
11 grants may be given for one year in an amount up to one-half  
12 of the budget for expanding the capacity of the program to serve  
13 additional children.

14 (d) The third priority shall be for new grants, expansion  
15 grants, and continuation grants for programs serving children  
16 younger than those who will be eligible to attend kindergarten  
17 the following school year. New grants may be given for up to  
18 three years in an amount up to one-half the total budget of the  
19 program per year. Expansion grants may be given for one year in  
20 an amount up to one-half the budget for expanding the capacity of  
21 the program to serve additional children. Continuation grants under  
22 this priority may be given annually in an amount up to one-half the  
23 total budget of the program per year minus any continuation grants  
24 received under the first priority.

25 (e) Programs serving children who will be eligible to  
26 attend kindergarten the following school year shall be accounted  
27 for separately for grant purposes from programs serving younger

1 children, but the two types of programs may be combined within the  
2 same classroom to serve multi-age children. Programs that receive  
3 grants for school fiscal years prior to school fiscal year 2005-06  
4 to serve both children who will be eligible to attend kindergarten  
5 the following school year and younger children shall account for  
6 the two types of programs separately for grant purposes beginning  
7 with school year 2005-06 and shall be deemed to have received  
8 grants prior to school fiscal year 2005-06 for each year that  
9 grants were received for the types of programs representing the age  
10 groups of the children served.

11 (2) Each program proposal which is approved by the  
12 department shall include (a) a planning period, (b) an agreement  
13 to participate in periodic evaluations of the program to be  
14 specified by the department, (c) evidence that the program will  
15 be coordinated or contracted with existing programs, including  
16 those listed in subdivision (d) of this subsection and nonpublic  
17 programs which meet the requirements of subsection (2) of section  
18 79-1104, (d) a plan to coordinate and use a combination of  
19 local, state, and federal funding sources, including, but not  
20 limited to, programs for children with disabilities below five  
21 years of age funded through the Special Education Act, the Early  
22 Intervention Act, funds available through the flexible funding  
23 provisions under the Special Education Act, the federal Head  
24 Start program, 42 U.S.C. 9831 et seq., the federal Even Start  
25 Family Literacy Program, 20 U.S.C. 6361 et seq., Title I of  
26 the federal Improving America's Schools Act of 1994, 20 U.S.C.  
27 6301 et seq., and child care assistance through the Department

1 of Health and Human Services, (e) a plan to use sliding fee  
2 scales and the funding sources included in subdivision (d) of  
3 this subsection to maximize the participation of economically and  
4 categorically diverse groups and to ensure that participating  
5 children and families have access to comprehensive services, (f)  
6 the establishment of an advisory body which includes families  
7 and community members, (g) the utilization of appropriately  
8 qualified staff, (h) an appropriate child-to-staff ratio, (i)  
9 appropriate group size, (j) compliance with minimum health and  
10 safety standards, (k) appropriate facility size and equipment,  
11 (l) a strong family development and support component recognizing  
12 the central role of parents in their children's development, (m)  
13 developmentally and culturally appropriate curriculum, practices,  
14 and assessment, (n) sensitivity to the economic and logistical  
15 needs and circumstances of families in the provision of services,  
16 (o) integration of children of diverse social and economic  
17 characteristics, (p) a sound evaluation component, including at  
18 least one objective measure of child performance and progress, (q)  
19 continuity with programs in kindergarten and elementary grades,  
20 (r) instructional hours that are similar to or less than the  
21 instructional hours for kindergarten, (s) well-defined language  
22 development and early literacy emphasis, including the involvement  
23 of parents in family literacy activities, (t) a plan for ongoing  
24 professional development of staff, and (u) inclusion of children  
25 with disabilities as defined in the Special Education Act, all as  
26 specified by rules and regulations of the department in accordance  
27 with sound early childhood educational practice.

1           (3) The department shall make an effort to fund programs  
2 widely distributed across the state in both rural and urban areas.

3           (4) A report evaluating the programs shall be made to the  
4 State Board of Education and the Legislature by January 1 of each  
5 odd-numbered year. Up to five percent of the total appropriation  
6 for the Early Childhood Education Grant Program may be reserved  
7 by the department for evaluation and technical assistance for the  
8 programs.

9           (5) Programs may be approved for purposes of the Tax  
10 Equity and Educational Opportunities Support Act, expansion grants,  
11 and continuation grants on the submission of a continuation  
12 plan demonstrating that the program will continue to meet the  
13 requirements of subsection (2) of this section and a proposed  
14 operating budget demonstrating that the program will continue to  
15 receive resources from other sources equal to or greater than the  
16 sum of any grant received pursuant to this section for the prior  
17 school year plus any calculated state aid as calculated pursuant to  
18 subsection (1) of this section for the prior school year.

19           (6) The State Board of Education may adopt and promulgate  
20 rules and regulations to implement the Early Childhood Education  
21 Grant Program, except that if there is an endowment agreement  
22 in effect, the board of trustees shall recommend any rules and  
23 regulations relating specifically to the Early Childhood Education  
24 Grant Program with respect to programs for children from birth to  
25 age three. It is the intent of the Legislature that the rules and  
26 regulations for programs for children from birth to age three be  
27 consistent to the greatest extent possible with those established

1 for other prekindergarten programs.

2 Sec. 4. Section 79-1104.01, Revised Statutes Cumulative  
3 Supplement, 2006, is amended to read:

4 79-1104.01 (1) Within ninety days after July 14, 2006,  
5 the State Department of Education shall request proposals from  
6 private endowments with experience in managing public and private  
7 funds for the benefit of children and families in multiple  
8 locations in Nebraska to be the endowment provider for the Nebraska  
9 Early Childhood Education Endowment upon the terms set forth in  
10 this section.

11 (2) An endowment seeking to become the endowment provider  
12 for the Nebraska Early Childhood Education Endowment shall agree  
13 to:

14 (a) Irrevocably commit, subject to subdivision (4)(a) of  
15 this section, no less than twenty million dollars in a private  
16 endowment to be used solely as part of the Nebraska Early Childhood  
17 Education Endowment within five years after the effective date of  
18 the endowment agreement, of which no less than five million dollars  
19 shall be pledged on the effective date of the endowment agreement.  
20 A minimum of one million dollars shall be placed in the private  
21 endowment prior to December 31, 2006, and a minimum of five million  
22 dollars shall be placed in the private endowment prior to June 30,  
23 2007;

24 (b) Commit all ~~interest, earnings, and proceeds~~ earnings  
25 deposited from such private endowment for deposit into the Early  
26 Childhood Education Endowment Cash Fund;

27 (c) Permit the board of trustees to determine the

1 allocation of funds from the Early Childhood Education Endowment  
2 Cash Fund pursuant to section 79-1104.02; and

3 (d) Submit to the State Department of Education an  
4 annual financial statement of the private endowment, audited by  
5 an independent auditor and complying with all applicable Internal  
6 Revenue Service requirements. The financial statement shall report  
7 details on the private endowment, including the current value  
8 of the corpus and the annual receipts to the private endowment  
9 categorized by donations and interests, together with a report  
10 listing the amount and purpose of expenditures from the private  
11 endowment.

12 (3) Upon selection of an endowment provider, the State  
13 Department of Education and such endowment provider shall enter  
14 into an endowment agreement pursuant to which the state and the  
15 endowment provider will agree to deposit funds as provided in  
16 subsection (4) of this section.

17 (4) (a) Upon the effective date of an endowment agreement,  
18 the state shall provide for the Early Childhood Education  
19 Endowment Fund, which is hereby created, in accordance with section  
20 79-1104.05. Any money in the fund available for investment shall be  
21 invested by the state investment officer pursuant to the Nebraska  
22 Capital Expansion Act and the Nebraska State Funds Investment Act.  
23 The endowment agreement may provide that the obligations of the  
24 endowment provider will terminate if the funds allocated to the  
25 Early Childhood Education Endowment Fund pursuant to subsection  
26 (11) of section 84-612 terminate as set forth in such section and  
27 are not replaced by a minimum of forty million dollars from another

1 source on and after July 1, 2007.

2 (b) All interest, earnings, and proceeds from the Early  
3 Childhood Education Endowment Fund shall be deposited in the Early  
4 Childhood Education Endowment Cash Fund, which is hereby created.  
5 Any money in the fund available for investment shall be invested  
6 by the state investment officer pursuant to the Nebraska Capital  
7 Expansion Act and the Nebraska State Funds Investment Act. All  
8 interest, earnings, and proceeds from the Early Childhood Education  
9 Endowment Cash Fund shall be retained in such fund.

10 (c) Upon the effective date of an endowment agreement,  
11 the endowment provider shall deposit the amounts set forth in the  
12 endowment agreement into a private endowment for the sole benefit  
13 of the Early Childhood Education Endowment Fund. Money in the  
14 private endowment shall be managed by the endowment provider in  
15 accordance with sound, professional, fiduciary practices and in  
16 accordance with the endowment agreement.

17 (d) ~~All interest, earnings, and proceeds~~ Earnings  
18 deposited from the private endowment shall be deposited into  
19 the Early Childhood Education Endowment Cash Fund ~~no less than~~  
20 quarterly. at least annually or as the endowment agreement  
21 provides.

22 Sec. 5. Section 79-1104.02, Revised Statutes Cumulative  
23 Supplement, 2006, is amended to read:

24 79-1104.02 (1) The Early Childhood Education Endowment  
25 Cash Fund, consisting of the interest, earnings, and proceeds from  
26 the Early Childhood Education Endowment Fund and the ~~interest,~~  
27 ~~earnings, and proceeds~~ from the private endowment created by the

1 endowment provider, and any additional private donations made  
2 directly thereto, shall be used exclusively to provide funds for  
3 the Early Childhood Education Grant Program for at-risk children  
4 from birth to age three as set forth in this section.

5 (2) Grants provided by this section shall be to school  
6 districts~~7~~ and cooperatives of school districts~~7~~ and educational  
7 ~~service units~~ for early childhood education programs for at-risk  
8 children from birth to age three, as determined by the board  
9 of trustees pursuant to criteria set forth by the board of  
10 trustees. School districts~~7~~ and cooperatives of school districts~~7~~  
11 and educational service units may establish agreements with other  
12 public and private entities to provide services or operate  
13 programs.

14 (3) Each program selected for a grant pursuant to this  
15 section may be provided a grant for up to one-half of the total  
16 budget of such program per year. Programs selected for grant awards  
17 may receive continuation grants subject to the availability of  
18 funding and the submission of a continuation plan which meets the  
19 requirements of the board of trustees.

20 (4) Programs shall be funded across the state and in  
21 urban and rural areas to the fullest extent possible.

22 (5) Each program selected for a grant pursuant to this  
23 section shall meet the requirements described in subsection (2)  
24 of section 79-1103, except that the periodic evaluations of the  
25 program are to be specified by the board of trustees and the  
26 programs need not include continuity with programs in kindergarten  
27 and elementary grades and need not include instructional hours

1 that are similar to or less than the instructional hours for  
2 kindergarten.

3 (6) Up to ~~five~~ ten percent of the total amount deposited  
4 in the Early Childhood Education Endowment Cash Fund each fiscal  
5 year may be reserved by the board of trustees for evaluation  
6 and technical assistance for the Early Childhood Education Grant  
7 Program with respect to programs for at-risk children from birth to  
8 age three.

9 Sec. 6. Section 79-1104.04, Revised Statutes Supplement,  
10 2007, is amended to read:

11 79-1104.04 (1) The board of trustees shall include the  
12 following six members:

13 (a) The Commissioner of Education or his or her designee;

14 (b) The chief executive officer of the Department of  
15 Health and Human Services or his or her designee; and

16 (c) The following persons appointed by the Governor, in  
17 his or her discretion:

18 (i) Two persons nominated by the endowment provider;

19 (ii) An early childhood professional representing an  
20 urban at-risk area appointed pursuant to subsection (5) of this  
21 section; and

22 (iii) An early childhood professional representing a  
23 rural at-risk county appointed pursuant to subsection (6) of this  
24 section.

25 (2) The terms of office for members initially appointed  
26 under subsection (1) of this section shall be three years. Upon  
27 completion of the initial terms of such members, the Governor shall

1 appoint the two members under subdivision (1)(c)(i) of this section  
2 for terms of one and two years, the member under subdivision  
3 (1)(c)(ii) of this section for a term of three years, and the  
4 member under subdivision (1)(c)(iii) of this section for a term of  
5 two years. Succeeding appointees shall be appointed for terms of  
6 three years. An appointee to a vacancy occurring from an unexpired  
7 term shall serve out the term of his or her predecessor. Members  
8 whose terms have expired shall continue to serve until their  
9 successors have been appointed and qualified.

10 (3) The board of trustees shall by majority vote annually  
11 elect a chairperson from among the members of the board of  
12 trustees.

13 (4) The members of the board of trustees shall be  
14 reimbursed for their actual and necessary expenses incurred while  
15 engaged in the performance of their official duties as provided in  
16 sections 81-1174 to 81-1177.

17 (5) The Governor shall, in his or her discretion,  
18 appoint one member to the board of trustees who resides or  
19 works in identify an at-risk urban area consisting of not less  
20 than ten contiguous census tracts, as determined by the United  
21 States Bureau of the Census for the 2000 United States Census,  
22 within a city of the metropolitan class, which each contain a  
23 percentage of families below the poverty line of greater than  
24 twenty percent, as reported by the United States Bureau of the  
25 Census for the 2000 United States Census. ~~The Governor shall~~  
26 ~~request that a committee, consisting of (a) the member of the~~  
27 ~~Legislature representing the district containing the preponderance~~

1 of geographic area of such at-risk area, (b) the member of the  
2 board of county commissioners representing the district containing  
3 the preponderance of geographic area of such at-risk area, and (c)  
4 the member of the city council representing the district containing  
5 the preponderance of geographic area of such at-risk area, develop  
6 a list of not less than two and not more than four nominees for  
7 appointment to the board of trustees. Upon receipt of a list of  
8 nominees signed by at least two members of the committee, the  
9 Governor shall, in his or her discretion, appoint a member to the  
10 board of trustees from such list of nominees.

11 (6) The Governor shall, in his or her discretion, appoint  
12 one member to the board of trustees who resides or works in a  
13 county which does not contain a city of the metropolitan class or  
14 a city of the primary class and which contains a percentage of  
15 families below the poverty line of greater than eight and one-half  
16 percent, as reported by the United States Bureau of the Census for  
17 the 2000 United States Census.

18 Sec. 7. Original sections 79-1104.01 and 79-1104.02,  
19 Revised Statutes Cumulative Supplement, 2006, and sections 79-1103  
20 and 79-1104.04, Revised Statutes Supplement, 2007, are repealed.

21 2. On page 1, strike beginning with "schools" in line 1  
22 through line 11 and insert "education; to amend sections 79-1104.01  
23 and 79-1104.02, Revised Statutes Cumulative Supplement, 2006, and  
24 sections 79-1103 and 79-1104.04, Revised Statutes Supplement, 2007;  
25 to provide for a certificate of attendance for students receiving  
26 special education services; to permit early childhood education  
27 programs to enroll kindergarten-age students and restrict use of

1 such enrollment for state aid calculations; to change provisions  
2 relating to calculation of state aid for purposes of early  
3 childhood education grants; to change and eliminate provisions  
4 relating to early childhood education endowment funds; and to  
5 repeal the original sections."